percent and for loans upto Rs. 2 lakhs, it is 13.5 percent. Given the Margin Money as grant, the effective rate stands reduced to the extent of 25 percent. As an alternative source, the KVIC, in order to facilitate availability of credit has, under the guarantee of the Central Government made available a total amount of Rs. 1000 crores as credit from a Consortium of Banks. The State Boards and Institutions can access this Consortium Credit through KVIC. The interest charged by the Consortium of Banks is 1.5 percent below the Prime Lending Rate, over the above which the KVIC takes some charges for its services provided. At present, the rate of interest charged, for the Consortium Credit availed, works out to 16.5 percent per annum.

(c) and (d) This Department had received some representations against high rate of interest.

(e) to (g) No, Sir. However, this Department have approached Ministry of Finance for examining the possibility of reducing the rate of interest by banks.

[Translation]

Profit and Loss of Indian and Foreign Bank

1275. SHRIMATI BHAVNABEN DEVRAJ BHAI CHIKHALIA :
SHRIMATI SHEELA GAUTAM :

Will the Minister of FINANCE be pleased to state :

(a) the details of the profit earned/loss suffered by the Indian and Foreign Banks, separately during each of the last three years;

(b) whether the business transacted by the Foreign Banks during the year 1996 was more than the business transacted by the Indian Banks;

(c) if so, the details thereof and the reasons therefor; and

(d) the steps taken by the Government to improve the performance of the nationalised banks?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) The information is being collected and will be laid on the Table of the House.

[English]

Cement Paint Industry

1276. SHRI MANIBHAI RAMJIBHAI CHAUDHARI: Will the Minister of INDUSTRY be pleased to state :

(a) whether it has come to the notice of the Government that some fake cement paint manufacturing companies are functioning in the country; and

(b) if so, the details thereof alongwith the action taken by the Government against such companies?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN) : (a) No specific complaint has recently been received in the Ministry of Industry regarding functioning of fake cement paint manufacturing companies in the country.

(b) Does not arise.

[English]

Violation of Norms by Amex Bank

1277. SHRI SANDIPAN THORAT : Will the Minister of FINANCE be pleased to state :

(a) whether attention of the Government has been drawn to the newsitem captioned "RBI report shows violation of norms by Amex Banks" appearing in the 'Business Standard' dated February 3, 1997;

(b) if so, the details of the facts in this regard;

(c) the details of the reported irregularities committed and the industrial unit involved; and

(d) the details of action taken/proposed to be taken in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : (a) to (d) Information is being collected and will be laid on the Table of the House.

Alleged Shielding of Scam-Tainted Bank

1278. SHRI I.D. SWAMI : Will the Minister of FINANCE be pleased to refer to the reply given to Unstarred Question No. 2268 dated 6, 1996 and state the details of the progress made by the CBI in the case registered by it against the then CMD of Indian Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.P. VEERENDRA KUMAR) : Central Bureau of Investigation has reported that during the course of investigation, searches were conducted in seven places and some documents have been collected for scrutiny.

Economic Offences

1279. SHRI SHANTILAL PARSOTAMDAS PATEL :
SHRI DINSHA PATEL :

Will the Minister of FINANCE be pleased to state :

(a) whether economic offences are registering a sharp rise in the country;

(b) if so, steps taken by the Government to check economic offences;

(c) whether the Government are aware of setting up of an independent Bureau by the Government of Gujarat to tackle economic offences; and